



TOWN OF BYARS, OKLAHOMA

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

THE TOWN OF BYARS, OKLAHOMA

**INDEPENDENT ACCOUNTANT'S REPORT ON
APPLYING AGREED-UPON PROCEDURES**

**AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2013**

Independent Accountant's Report

To the Specified Users of the Report:

Town Council, Town of Byars
Byars, Oklahoma

Trustees of the Byars Public Works Authority
Byars, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

United States Department of Agriculture
Duncan, Oklahoma

Association of South Central Oklahoma Governments
Duncan, Oklahoma

Oklahoma Department of Commerce
Oklahoma City, Oklahoma

We have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Byars and related Public Trust, the Budgetary Comparison Schedule- Cash Basis - General Fund, Budgetary Comparison Schedule - Cash Basis - Street and Alley Fund, Budgetary Comparison Schedule – Cash Basis – Capital Improvement Fund, Budgetary Comparison Schedule – Cash Basis - Volunteer Fire Fund, Budgetary Comparison Schedule – Cash Basis - Cemetery Perpetual Care Fund, Statement of Revenues, Expenses and Changes in Fund Balance – Cash Basis - Byars Public Works Authority, and the Schedule of Grant Activity – Cash Basis for the year ended June 30, 2013. The financial statements and schedules have been prepared in a format and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma applicable to municipalities and the presentation requirements prescribed in Oklahoma Statutes § 11-17-105-107 and § 60-180-1-3, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. We have not audited or reviewed the aforementioned financial statements and schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and schedules are in accordance with the cash basis of accounting.

Management is responsible for the preparation and fair presentation of the financial statements and schedules in accordance with the cash basis of accounting and applicable Oklahoma Statutes and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements and schedules.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements and schedules, in order to meet the requirements of applicable Oklahoma Statutes, without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements and schedules.

Town of Byars and Byars Public Works Authority
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Management has elected to omit substantially all of the disclosures ordinarily included in financial statements and schedules prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements and schedules, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues, and expenses. Accordingly, these financial statements and schedules are not designed for those who are not informed about such matters.

Report on Applying Agreed-Upon Procedures

We have performed the procedures enumerated below which were agreed to by the specified users of the report as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2013. Management of the Town of Byars and the Byars Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants to meet the requirements prescribed in Oklahoma Statutes §11-17.105-.107 and §60-180.1-.3. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Procedures and Findings

As to the Town of Byars as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis schedule of changes in fund balances for each fund (see accompanying Exhibit 1) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

2. **Procedures Performed:** From the Town's trial balances, we compiled a cash basis budget and actual financial schedule for the General Fund, the Street and Alley Fund, the Capital Improvement Fund, the Volunteer Fire Fund, and the Cemetery Perpetual Care Fund (see accompanying Exhibit 2) and compared the actual expenditures reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

Findings: No instances of noncompliance noted.

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No significant or unusual reconciling items were noted that did not clear on a timely basis.

4. **Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: All deposits were FDIC insured at June 30, 2013.

Town of Byars and Byars Public Works Authority
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5. **Procedures Performed:** We compared the Town's use of material restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

6. **Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

7. **Procedures Performed:** The Town had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

As to the Byars Public Works Authority, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Authority's trial balances, we compiled a schedule of revenues, expenses and changes in fund balances – cash basis for the Authority (see accompanying Exhibit 3) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

Findings: No instances of noncompliance were noted.

2. **Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No significant or unusual reconciling items were noted that did not clear on a timely basis.

3. **Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: All deposits were FDIC insured at June 30, 2013.

4. **Procedures Performed:** We compared the Authority's use of material restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

5. **Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance were noted.

6. **Procedures Performed:** A search for Authority debt agreements was performed to identify any contractually required reserve balances and debt service coverage requirements of bond indentures for the purposes of determining contract compliance.

Findings: The Authority met its debt service reserve balance requirement at June 30, 2013.

Town of Byars and Byars Public Works Authority
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As to the Town of Byars and Byars Public Works Authority grant programs, as of and for the fiscal year ended June 30, 2013:

1. **Procedures Performed:** From the Town and Authority's trial balances, we compiled a schedule of grant activity for each grant/contract (see accompanying Exhibit 4) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

Findings: No instances of noncompliance were noted.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance and an opinion on the related financial statements and schedules. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

Crawford & Associates, P.C.

Crawford & Associates, P.C.
December 9, 2013

EXHIBIT 1

TOWN OF BYARS AND PUBLIC TRUST
SUMMARY OF CHANGES IN FUND BALANCES - CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Beginning of Year Fund Balances</u>	<u>Current Year Change</u>	<u>End of Year Fund Balances</u>
TOWN:			
General Fund	\$ 42,194	\$ 19,016	\$ 61,210
Street and Alley Fund	3,508	(426)	3,082
Capital Improvement Fund	2,144	3,985	6,129
Volunteer Fire Fund	16,959	2,454	19,413
Park Fund	1,360	-	1,360
Cemetery Care Fund	5,096	(894)	4,202
Cemetery Perpetual Care Fund	46,189	904	47,093
Town Subtotal	<u>117,450</u>	<u>25,039</u>	<u>142,489</u>
PUBLIC WORKS AUTHORITY:			
Byars Public Works Authority	17,656	2,001	19,657
PWA Subtotal	<u>17,656</u>	<u>2,001</u>	<u>19,657</u>
Overall Totals	<u>\$ 135,106</u>	<u>\$ 27,040</u>	<u>\$ 162,146</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance:	\$ 32,722	\$ 32,722	\$ 42,194	\$ 9,472
Resources (Inflows):				
Taxes:				
Sales tax	37,471	26,000	30,493	4,493
Use tax	-	3,430	5,581	2,151
Franchise tax	-	4,435	5,141	706
Cigarette tax	-	350	379	29
McClain 1/2 cent sales tax	422	2,500	3,900	1,400
Total Taxes	<u>37,893</u>	<u>36,715</u>	<u>45,494</u>	<u>8,779</u>
Investment Income	<u>25</u>	<u>25</u>	<u>29</u>	<u>4</u>
Miscellaneous Income:				
Rent	750	-	1,600	1,600
Nutrition program	-	1,200	1,100	(100)
Permits	-	20	10	(10)
Other	1,786	1,450	-	(1,450)
Total Miscellaneous	<u>2,536</u>	<u>2,670</u>	<u>2,710</u>	<u>40</u>
Other Financing Sources:				
Transfers from other funds	<u>29,750</u>	<u>30,300</u>	<u>28,733</u>	<u>(1,567)</u>
Total Resources (Inflows)	<u>70,204</u>	<u>69,710</u>	<u>76,966</u>	<u>7,256</u>
Amounts available for appropriation	<u>102,926</u>	<u>102,432</u>	<u>119,160</u>	<u>16,728</u>

(Continued)

See independent accountant's report on agreed-upon procedures.

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EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2013

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive (Negative)</u>
Charges to Appropriations (Outflows):				
General Government:				
Personal services	20,550	20,550	18,941	1,609
Materials and supplies	3,486	3,486	2,640	846
Other services and charges	12,924	9,925	7,783	2,142
Capital outlay	15,000	12,000	1,221	10,779
Total General Government	<u>51,960</u>	<u>45,961</u>	<u>30,585</u>	<u>15,376</u>
Fire:				
Personal services	1,500	1,400	540	860
Total Fire	<u>1,500</u>	<u>1,400</u>	<u>540</u>	<u>860</u>
Utilities:				
Materials and supplies	-	5,800	4,965	835
Other services and charges	34,466	15,222	11,742	3,480
Total Utilities	<u>34,466</u>	<u>21,022</u>	<u>16,707</u>	<u>4,315</u>
Clerk/Treasurer:				
Personal services	15,000	15,000	10,118	4,882
Total Clerk/Treasurer	<u>15,000</u>	<u>15,000</u>	<u>10,118</u>	<u>4,882</u>
Total Charges to Appropriations	102,926	83,383	57,950	25,433
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ 19,049</u>	<u>\$ 61,210</u>	<u>\$ 42,161</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
STREET AND ALLEY FUND
FOR THE YEAR ENDED JUNE 30, 2013

STREET AND ALLEY FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 3,746	\$ 3,746	\$ 3,508	\$ (238)
Resources (Inflows):				
Taxes	3,575	3,575	3,349	(226)
Amounts available for appropriation	<u>7,321</u>	<u>7,321</u>	<u>6,857</u>	<u>(464)</u>
Charges to appropriations (outflows):				
Other services and charges	5,921	5,921	2,751	3,170
Total Streets	<u>5,921</u>	<u>5,921</u>	<u>2,751</u>	<u>3,170</u>
Other Financing Uses:				
Transfers to other funds	<u>1,400</u>	<u>1,400</u>	<u>1,024</u>	<u>376</u>
Total Charges to Appropriations	<u>7,321</u>	<u>7,321</u>	<u>3,775</u>	<u>3,546</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,082</u>	<u>\$ 3,082</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CAPITAL IMPROVEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2013

CAPITAL IMPROVEMENT FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 1,566	\$ 1,566	\$ 2,144	\$ 578
Resources (Inflows):				
Grant revenue	-	-	248,361	248,361
Investment income	-	60	2	(58)
Total inflows	-	60	248,363	248,303
Other financing sources:				
Transfers from other funds	-	4,000	3,983	(17)
Amounts available for appropriation	1,566	5,626	254,490	248,864
Charges to appropriations (outflows):				
Capital outlay	-	267,775	248,361	19,414
Total Capital Improvement	-	267,775	248,361	19,414
Total Charges to Appropriations	-	267,775	248,361	19,414
Ending Budgetary Fund Balance	\$ 1,566	\$ (262,149)	\$ 6,129	\$ 268,278

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
VOLUNTEER FIRE FUND
FOR THE YEAR ENDED JUNE 30, 2013

VOLUNTEER FIRE FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 18,171	\$ 18,171	\$ 16,959	\$ (1,212)
Resources (Inflows):				
Grant revenue	4,000	4,000	4,484	484
Donations	300	300	275	(25)
Reimbursements	-	-	2,744	2,744
Investment income	10	10	11	1
Total inflows	<u>4,310</u>	<u>4,310</u>	<u>7,514</u>	<u>3,204</u>
Amounts available for appropriation	<u>22,481</u>	<u>22,481</u>	<u>24,473</u>	<u>1,992</u>
Charges to appropriations (outflows):				
Materials and supplies	2,500	2,750	1,325	1,425
Other services and charges	19,981	17,408	3,735	13,673
Total Fire	<u>22,481</u>	<u>20,158</u>	<u>5,060</u>	<u>15,098</u>
Total Charges to Appropriations	<u>22,481</u>	<u>20,158</u>	<u>5,060</u>	<u>15,098</u>
Ending Budgetary Fund Balance	<u>\$ -</u>	<u>\$ 2,323</u>	<u>\$ 19,413</u>	<u>\$ 17,090</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 2
TOWN OF BYARS, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - CASH BASIS
CEMETERY PERPETUAL CARE FUND
FOR THE YEAR ENDED JUNE 30, 2013

CEMETERY PERPETUAL CARE FUND				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Beginning Budgetary Fund Balance	\$ 45,382	\$ 45,382	\$ 46,189	\$ 807
Resources (Inflows):				
Burial expense	2,400	1,650	600	(1,050)
Donations	800	15	241	226
Investment income				
Total inflows	<u>3,200</u>	<u>1,665</u>	<u>841</u>	<u>(824)</u>
Other financing sources:				
Transfers from other funds	<u>110</u>	<u>250</u>	<u>63</u>	<u>(187)</u>
Amounts available for appropriation	<u>48,692</u>	<u>47,297</u>	<u>47,093</u>	<u>(204)</u>
Charges to appropriations (outflows):				
Other services and charges	27,480	20,000		20,000
Total Cemetery	<u>27,480</u>	<u>20,000</u>		<u>20,000</u>
Total Charges to Appropriations	<u>27,480</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Ending Budgetary Fund Balance	<u>\$ 21,212</u>	<u>\$ 27,297</u>	<u>\$ 47,093</u>	<u>\$ 19,796</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 3
TOWN OF BYARS, OKLAHOMA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE - CASH BASIS
BYARS PUBLIC WORKS AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2013

Operating Revenues:	
Charges for services:	
Water	\$ 28,466
Sewer	16,930
Garbage	17,176
Total Operating Revenues	<u>62,572</u>
Operating Expenses:	
Water:	
Personal services	193
Materials and supplies	576
Other services and charges	1,885
Total Water	<u>2,654</u>
Sewer:	
Personal services	115
Materials and supplies	343
Other services and charges	1,121
Total Sewer	<u>1,579</u>
Garbage:	
Personal services	116
Materials and supplies	348
Other services and charges	14,465
Total Garbage	<u>14,929</u>
Total Operating Expenses	19,162
Operating Income	43,410
Non-Operating Revenues (Expenses):	
Transfer out	(31,692)
Investment income	15
Debt service - principal	(4,320)
Interest expense	(5,412)
Total Non-Operating Revenues (Expenses)	<u>(41,409)</u>
Change in fund balance	2,001
Fund Balance - beginning	<u>17,656</u>
Fund Balance - ending	<u>\$ 19,657</u>

See independent accountant's report on agreed-upon procedures.

EXHIBIT 4

TOWN OF BYARS, OKLAHOMA
SCHEDULE OF GRANT ACTIVITY - CASH BASIS
Year Ended June 30, 2013

	Rural Fire Grant	ASCOG Byars 112255	CDBG 11 No. 14783
Awarding agency	Oklahoma Department of Agriculture	Association of South Central Oklahoma Governments	Oklahoma Department of Commerce
CFDA #	N/A	N/A	14.228
Award Amount	\$ 4,484	\$ 45,000	\$ 219,305
Program Budget	4,484	50,000	274,305
Current Year Activity:			
Current Year Receipts:			
Received from agency	4,484	29,056	219,305
Received from local match	-	-	47,005
Total current year receipts	4,484	29,056	266,310
Current Year Disbursements	4,484	29,056	266,310
Beginning of Year Unexpended Grant Funds	-	-	-
End of Year Unexpended Grant Funds	-	-	-
Program To-Date Activity:			
Program To-Date Receipts:			
Received from agency	4,484	45,000	219,305
Received from local match	-	5,000	52,005
Total program To-Date Receipts	4,484	50,000	271,310
Program To-Date Disbursements	4,484	50,000	271,310
Program To-Date Unexpended Grant Funds	\$ -	\$ -	\$ -

See independent accountant's report on agreed-upon procedures.